



# U.S. Trade Center News

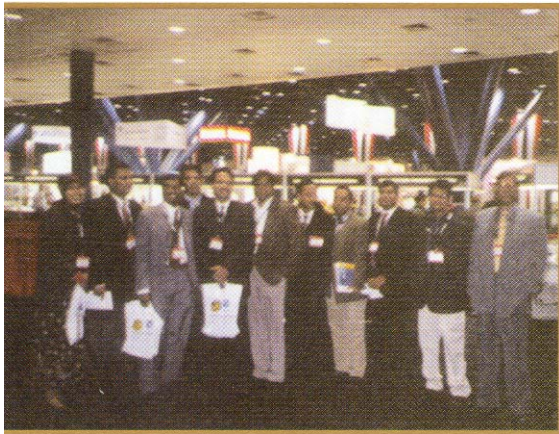
Spring 2003

A publication of the U.S. Embassy, Dhaka, Bangladesh

## Embassy Leads Largest Foreign Delegation to Houston

The U.S. Embassy along with the American Chamber of Commerce in Bangladesh led the largest foreign delegation to the Electric Power 2003 Show March 4-6 in Houston, Texas. The 18-person Bangladeshi delegation was comprised of business leaders from throughout Bangladesh.

The Houston Electric Power Show showcased the power industry, particularly providers of power equipment and services, including gas and CNG products, boilers and combustion systems, motors and electrical equipment, uniform power systems, diesel, steam and gas generators, renewable energy systems, and water and wastewater treatment material. Over 600 exhibitors participated in the Houston show.

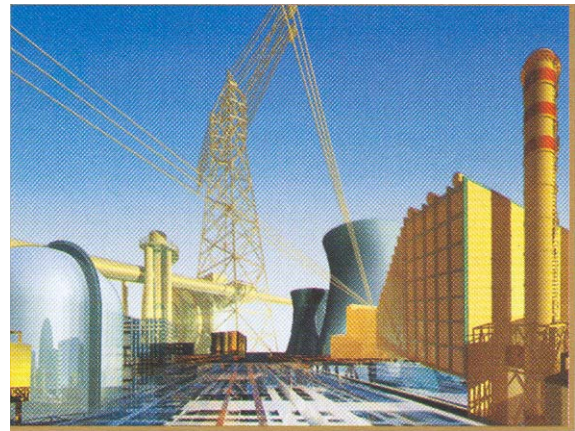


The evening before the show, the Bangladeshi delegation was welcomed to Houston at a cocktail reception and dinner hosted by the show organizers. During the three-day event, the delegation had the

opportunity to visit the power generation facilities of some of America's largest companies located in the Houston area.

We have already heard a number of success stories resulting from the delegation's attendance at the Houston show. Many new business relationships were established. A delegation member reports he will purchase Pratt & Whitney gas turbines valued at \$5.5 million, while another delegate says he is completing negotiations to purchase \$50,000 worth of filtration equipment.

The Embassy is planning to hold a catalog show soon to display the many products and services that were showcased in Houston.



## More Good News About SuperComm

The U.S. Embassy has learned that two Bangladeshi firms have signed licensing agreements to represent American technology companies in Bangladesh. Representatives from the two Bangladeshi firms were part of a 31-member Embassy led delegation that attended the SuperComm 2002 Trade Show in Atlanta last year. The licensing agreements signed by the two firms stemmed from contacts each company made while at SuperComm.

## Tender Talk ...

The **Bangladesh Rural Electrification Board** seeks bidders for the supply of sectionalizing devices, substations, and other electrical equipment. Bids must be delivered to the Director of Procurement before May 20.

**Biman Bangladesh Airlines** invites bids for a specialized vehicle known as an "air conditioning van." The vehicle is used to cool aircraft while on the tarmac. Interested firms should contact the U.S. Trade Center or Biman's Deputy General Manager at 880-2-891-4771.

## Are Your Software Products Properly Licensed?

Whether you are a private firm, a non-governmental organization, or a government office, U.S.-origin software generally must be licensed. Even if your software is properly licensed in the U.S., there may be restrictions to using the software abroad. You should raise these issues with your local software provider.

Southtech Limited, Microsoft's Marketing Development Provider in Bangladesh, can discuss with you the many licensing options it has available for Microsoft products. For more information, contact Mr. Xane Alam (Raabid), End User Manager, at 891-9905 or 891-6331.



## U.S. Trade Balance with Bangladesh

Data represent commercial (deliveries) trade. Totals do not include exports from four export processing zones and exports tied to donor or grant assistance.

### Trade with Bangladesh: 2002

*Note: All figures are in millions of U.S. dollars*

Month		Imports	Balance
		208.40	-187.10
	31.40	176.90	-145.50
March	39.80	165.90	-126.10
April	18.60	141.40	-122.80
May	17.40	148.40	-131.00
June	28.80	185.50	-156.70
July	17.10	249.40	-232.30
August	20.30	268.00	-247.70
September	14.10	208.70	-194.60
October	18.00	155.40	-137.40
November	19.10	116.90	-97.80
December	23.10	109.20	-86.10
<b>Total</b>	<b>269.90</b>	<b>2,134.10</b>	<b>-1,865.20</b>

- TOTALS may not add due to rounding.
- Table reflects only those months for which there was trade.
- [www.census.gov/foreign-trade/balance/c5380.html](http://www.census.gov/foreign-trade/balance/c5380.html)
- SOURCE: U.S. Census Bureau, Foreign Trade Division, Data Dissemination Branch, Washington, D.C. 20233

## U.S. Trade Show Grows Bigger in 2003

On January 29-31, the Embassy co-hosted with the American Chamber of Commerce in Bangladesh, the Twelfth Annual U.S. Trade Show. This year's show, held at the Dhaka Sheraton, attracted an estimated 18,000 visitors. Despite competition from several other trade shows, 75 American firms were represented at the U.S. Trade Show – a 10 percent increase from last year.

We kicked off our event on the evening of the 28<sup>th</sup> with a welcome dinner for participating firms at which Ambassador Mary Ann Peters delivered a keynote address on Bangladesh's global image. On the morning of the 29<sup>th</sup>, Commerce Minister Amir Khasru Chowdhury and the Ambassador, along with representatives of the media, chambers of commerce, and American and local firms, participated in an opening ceremony formally inaugurating the show. A diplomatic reception held later that evening drew over 500 business and government officials, including Finance Minister Saifur Rahman and Science Minister Moyeen Khan.

Our informal survey of several Trade Show participants indicated that several American firms completed sales or developed leads totaling over \$22.5 million during our three-day event.

The Embassy's U.S. Trade Center booth, which received several hundred visitors, also did a roaring business. Joined by our colleagues from the Foreign Agricultural Service, we provided several Bangladeshi business representatives with contact information for American firms selling a variety of products, including power tools, binding machines, cotton, wheat, waste paper, and water purification equipment.

The Trade Center distributed several hundred brochures highlighting the Embassy's commercial services, numerous copies of our newsletter, and over 800 Commercial News USA magazines. We expect the number of visitors to our commercial library (located at Gate 3 at the Embassy) to increase over the next few weeks due to this annual outreach event.

We would especially like to congratulate AmCham President Aftab ul Islam and Executive Director A. Gafur for their hard work and dedication to making this year's Trade Show a smashing success.

## Trade Shows, Trade Shows And . . . More Trade Shows

Although the Embassy will not be leading a delegation to these shows, interested participants can obtain additional information by contacting the Embassy's Trade Center (by phone at 882-4700 or by email at [www.usembassy-dhaka.org](http://www.usembassy-dhaka.org)) or by visiting the trade show's website. Happy travels!

The **National Restaurant Show** will be held May 17-20, 2003 in Chicago. With over 1,900 exhibitors and 60 educational programs, this show is the largest foodservice and hospitality trade event in the Western Hemisphere. Over 53,000 restaurant professionals attended last year. Attendance is open to all foodservice and hotel professionals. ([www.restaurant.org/show](http://www.restaurant.org/show))

The **MAGIC International Show** will take place August 25-28, 2003 in Las Vegas. MAGIC is the world's largest apparel market and will feature 3,200 exhibiting companies, 5,500 brands and 21,000 products. Companies recognize the Magic Marketplace as the destination to develop new business relationships and strategic alliances. ([www.Magiconline.com](http://www.Magiconline.com))

The **MedTrade 2003 Show** will be held in Atlanta October 9-11, 2003, and will feature products from over 1,000 exhibitors displaying 250,000 products. MedTrade is the largest medical trade show in the U.S. and the single largest trade event of its kind in the world. MedTrade will also offer a full complement of seminars on a variety of health care issues. ([www.medtrade.com](http://www.medtrade.com))

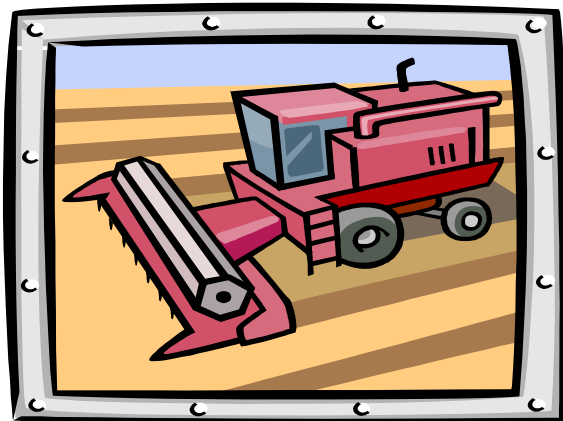
The **Worldwide Food Expo** will take place October 29-November 1, 2003 in Chicago. Firms active in food processing and packaging will not want to miss this event. This year's show will highlight meat, poultry and seafood; dairy and beverages; bottled water; frozen food processing and packaging; and much more. ([www.worldwidefood.com](http://www.worldwidefood.com))

The **Automotive Aftermarket Show** will take place in Las Vegas November 4-7, 2003. This trade show is one of the world's largest automotive shows. Over 3,300 exhibitors will be on hand to display body and brake parts, analyzing and testing equipment, emission control products, lubricants, safety and security devices, as well as tires, tools and transmission equipment. ([www.aapexshow.com](http://www.aapexshow.com))

# FDA PROPOSES NEW RULES FOR REGISTERING FOOD FACILITIES

On January 29, 2003, the U.S. Food and Drug Administration (FDA) announced a proposed regulation that would require domestic and foreign food facilities that manufacture, process, pack, or hold food for human or animal consumption in the United States to register with the agency by December 12, 2003. The proposal is one of the keystones in implementing the Public Health Security and Bioterrorism Preparedness and Response Act of 2002. This act provided the FDA new authority in protecting the nation's food supply against terrorist acts and other threats.

The proposed regulation would require the owner, operator, or agent in charge of a domestic or foreign facility to submit a registration to the FDA, including the name and address of each facility at which, and trade names under which, the registrant conducts business, and the categories of food the facility handles. For a foreign facility, the registration must include the name of the U.S. agent for the facility. The U.S. agent may register a foreign facility if it is authorized to do so by the facility. The proposal also would require facilities to update any changes to the information previously submitted within 30 days of the change.



The proposal specifically excludes farms, restaurants, other retail food establishments, nonprofit food establishments in which food is prepared for or served directly to the consumer, certain fishing

vessels, and facilities (such as meat and poultry slaughterhouses) that are regulated exclusively by the U.S. Department of Agriculture. Also exempt are foreign facilities if the food from the facility undergoes further processing or packaging by another foreign facility before it is exported to the U.S.

A foreign facility is not exempted from registration, however, if the processing or packaging activities of the subsequent facility are limited to the affixing of a label to a package or other de minimis activity. In that instance, both the facility manufacturing or processing the food and the facility performing the de minimis activity would have to register.

The law requires the FDA to notify the registrant of receipt of registration and to assign each facility a unique registration number. The registration may be electronic, via the Internet, or by paper through surface mail. The FDA strongly encourages electronic registration, however, as the Internet system the FDA plans will be able to accept electronic registration from anywhere in the world 24 hours a day, 7 days a week. A registering facility also would receive confirmation of electronic registration and its registration number instantaneously once all the required fields on the registration screen are completed. There is no fee associated with registration.

Under the Bioterrorism Act, facilities must register by **December 12, 2003**, even if the FDA has not issued final regulations. The FDA is offering the public 60 days to comment on the proposed rule. The FDA plans to issue a final rule by October 12, 2003, after considering the comments it receives. The FDA also plans to have its registration system operational by October 12, 2003, to accept early registrations.

Under the Bioterrorism Act, it is a prohibited act for a facility to not be registered by December 12, 2003. If a firm does not register by the deadline, the U.S. can bring a civil action in federal court to enjoin persons who commit a prohibited act; or it can bring a criminal action in federal court to prosecute persons who commit a prohibited act. The Bioterrorism Act also requires food from unregistered foreign facilities to be held at the port of entry unless the FDA directs that the food be moved to a secure location.

Single copies of the proposed regulation may be obtained by writing to the FDA, 5630 Fishers Lane, Room 1061, Rockville, Md., 20852. The proposal can be accessed via the FDA's website as well at: [www.fda.gov/oc/bioterrorism/bioact.html](http://www.fda.gov/oc/bioterrorism/bioact.html).



# Solar Power Export Opportunity

The Rural Electrification and Renewable Energy Development Project (REREDP) is intended to help Bangladesh accelerate its electricity access rate by promoting solar home systems (SHS) in rural areas. REREDP has two components:

- Rural electrification through grid extensions; and
- Rural electrification through off-grid options, mainly solar homes.

The Infrastructure Development Corporation, Ltd. (IDCOL) participates in the off-grid component of the REREDP. IDCOL contemplates financing a 2.44 megawatt multi-faced electricity system, or an estimated 50,000 solar home system, over a period of five years through a variety of wind, mini-hydro and bio-mass pilot projects. Under the REREDP program, IDCOL will:

A.) Provide two grants for the purchase of SHS;

B.) Refinance 80 percent of the loans made to the households for purchase of SHS by non-governmental organizations selected as participating organizations; and

C.) Provide technical assistance, loans and grants to the participating organizations for the development of sub-projects (pilot projects on wind, hydro and biomass power systems). Technical assistance will be for overcoming barriers to renewable energy market development, project development and administration, capacity building, project monitoring, and evaluation.

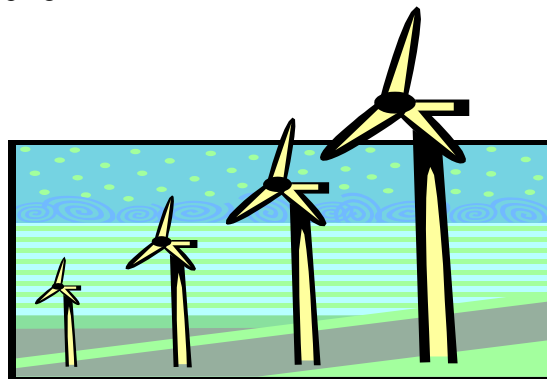
Households and institutions in rural communities without access to electricity will purchase these SHS. Individual households will pay a minimum of 10 percent of the system costs as a down-payment and regular monthly installments to own and use the system during the loan tenure. As soon as they have paid all the installments, covering system costs and interest, they will become owners.

IDCOL has already selected five participating organizations for this project: Grameen Shakti, BRAC Foundation, Srizon Bangladesh, Coast, and TMSS. Along with maintaining relationships with households and manufacturers, participating

organizations need to submit disbursement applications to claim grants and refinancing from IDCOL.

## Manufacturers/Dealers/Suppliers:

Any business entity in the SHS business may participate in this program by getting their product approved by the Technical Standards Committee. They need to provide a 20-year warranty for the PV panel, 5-year warranty for the battery, 3-year warranty for the charge controller, and a 1-year warranty for the luminary. They should provide after-sales maintenance of the system and help the participating organizations during installation. Any manufacturer, dealer or supplier filling the prescribed format and providing the necessary certifications (prescribed in the technical specifications manual) may get their products approved and take part in the program.



For further information, contact Mr. M. Fouzul Kabir Khan, Executive Director and CEO, IDCOL, IDB Bhaban, 6<sup>th</sup> Floor, Sher-e-Bangla Nagar, Agargaon, Dhaka (phone: 880-2-911-4385; 811235; email and web: [IDCOL@dhaka.agni.com](mailto:IDCOL@dhaka.agni.com); [www.IDCOL.org](http://www.IDCOL.org)).

## Looking for a U.S. Product or Firm?

Then visit: [www2.cnewsusa.com](http://www2.cnewsusa.com).

This website is designed to assist importers around the world in their efforts to find the American products or services they would like to buy. If you are an importer interested in doing business with an American company in any way: direct buyer, sales representative agent, dealer, distributor, licensee, joint-venture partner, or other strategic alliance, the Commercial News USA magazine and website will help you find what you need.

## **Ambassador Discusses Bangladesh's Global Image**

On January 29, at the U.S. Trade Show Welcome Dinner, Ambassador Mary Ann Peters delivered a keynote speech on Bangladesh's global image. She noted that Bangladeshis were correct that the country's image abroad did have the potential to affect Bangladesh's economy, and business leaders were right to be concerned.

The Ambassador said that there is certainly a difference between Bangladesh's image in the world -- a remote, impoverished nation ravaged by natural disasters -- and the reality of Bangladesh: a democracy of over 130 million people with an emerging middle class, a growing economy, a vibrant civil society, and a number of social development success stories. Yet, Bangladeshis themselves continue to accentuate the country's poverty and its lack of geographical size while overlooking other important facets of their society.

Protecting one's global image, the Ambassador explained, involves the taking of resolute measures in the public interest. "A proper policy course is necessary, but often not sufficient, to turn around perceptions, and this is where it pays to think strategically," she stated.

Drawing on the experiences of Johnson & Johnson, Nike and New York City, all of which experienced a public image crisis, Ambassador Peters described how public image can be improved if a strategy is developed and "aggressively implemented." She then suggested a course of action the business community in Bangladesh might wish to consider to improve the country's global image. She pointed out that advocating for the establishment of an independent anti-corruption commission, insisting upon the highest standards for Bangladeshi goods and services, and urging the government to take active steps to implement its numerous pro-investment policies would greatly improve Bangladesh's public image.

As the Ambassador concluded, "when firms get licenses quickly, win tenders honestly, open new branches successfully, and are confident that their contracts will be honored fairly, I am certain that Bangladesh will be recognized globally as a premier investment destination. And this is a public image worth having."

## **U.S. Offers to Expand Access to Its Services Sector**

U.S. Trade Representative Robert B. Zoellick announced on March 31 that the U.S. will offer to expand global access to the already open American services sector, as part of ongoing World Trade Organization (WTO) negotiations to liberalize worldwide trade in services. The U.S. is the world's largest exporter of services, and its offer complements the U.S. request last summer that other WTO members open their markets to American services, which often face high barriers and impediments to doing business.

"Americans lead the world in providing top quality services that improve lives, lower prices, spark new inventions and expand consumer choices. In effect, America has made a down payment in opening services markets -- we're already reaping many of the economic benefits of being quite open," Zoellick said.

Trade in services also benefits developing countries greatly. The infrastructure of modern and growing economies and the gains made from liberalizing trade in services and agriculture is enhanced with open service sectors. The benefits of a modern services sector reverberates across an entire economy, touching every product, idea and consumer. Modernizing services can help developing countries jump start the economic growth necessary for reducing poverty. The service sector is the fastest growing part of the economy in many developing countries, with the World Bank reporting that services account for 54 percent of their GDP.

The U.S. services offer is part of a long-term process of expanding choice and opportunity for U.S. consumers of commercially important sectors, in areas such as: insurance; banking and other financial services; telecommunications and information services; express delivery; environmental services and energy services.

To clarify the false assertions sometimes raised by opponents of trade, the United States is also clarifying that is not negotiating services in the following areas: government monopoly service suppliers (such as water authorities); government programs targeted towards U.S. or minority citizens; and the autonomy of U.S. educational institutions.